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BLUEN DIONESIN, STAFF DIRECTOR

## United States Senate

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

WASHINGTON, DC 20510-6125

WEB SITE: http://commerce.senate.gov

June 24, 2014

The Honorable Thomas Wheeler Chairman Federal Communications Commission 445 12th Street SW Washington, DC 20554

## Dear Chairman Wheeler:

I write regarding the Commission's January 31, 2014 decision to defer implementation of the Skilled Nursing Facility (SNF) Pilot Program, and the promise this program held for the Evangelical Lutheran Good Samaritan Society (the "Society"). Headquartered in South Dakota, the Society is the largest not-for-profit provider of long term care and related services in the nation, operating more than 240 facilities in 24 states, caring daily for more than 27,000 people, and employing more than 21,000 staff members nationwide. For nearly a century, operations in states like South Dakota, Montana, Idaho, Colorado, Iowa, Kansas and Nebraska have enabled the Society to develop an expertise in providing care in rural settings.

The Society currently operates 168 SNFs, of which 122 are rural, with private data connections to its national headquarters in South Dakota. These SNFs play an important role in the delivery of care in our country, and are a significant and growing pioneer in telehealth services. The Society has designed and implemented technology to remotely connect patients in rural SNFs to hospitals and their doctors. These efforts are critical because rural patients often must travel up to 100 miles to see a physician. In addition, the Society has developed the LivingWell@Home program, which improves patients' quality of life and independence by utilizing sensor, telehealth, and personal emergency response technologies.

The Society has been successfully deploying this technology in many of its facilities since 2012. and aims to expand the program across its 24 state presence. In order to do so, however, better and more affordable access to broadband is critical. Together, these programs help lower healthcare costs and enhance senior patients' well-being by improving care, reducing hospital visits, and keeping them connected to their professional and family caregivers.

The Society recently submitted formal comments in response to the FCC's decision to defer implementation of the SNF Pilot Program, arguing that the agency should continue the program. The Society was joined in its pleading by the American Health Care Association and LeadingAge, the country's two largest associations for professionals focused on senior health

<sup>&</sup>lt;sup>1</sup> Technology Transition Order and FNPRM, FCC 14-5, GN Docket 13-5, et al., (2014).

care. Together, the Society and the national associations advocated that the FCC provide assistance to SNFs in obtaining access to broadband services. I respectfully urge you to give their comments and request your full consideration.

I am aware that the FCC, in its quest to improve broadband access, may also have other ways to support SNFs. I strongly encourage you to work to ensure that SNFs are able to participate in programs that expand rural health providers' access to broadband. In doing so, the FCC can clearly meet its goals of (1) increasing access to broadband for health care providers, particularly those serving rural areas; (2) fostering the development and deployment of broadband health care networks; and (3) maximizing the cost-effectiveness of the Universal Service Fund.

I look forward to your response on this matter.

Sincerely,

JOHN THUNE Ranking Member



## FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

July 18, 2014

The Honorable John Thune Ranking Member Committee on Commerce, Science, and Transportation United States Senate 624 Dirksen Senate Office Building Washington, D.C. 20510

Dear Senator Thune:

Thank you for your letter regarding the status of the Rural Health Care Skilled Nursing Facilities Pilot Program (SNF Pilot). I understand and appreciate your interest in the SNF Pilot and the role of skilled nursing facilities in delivering health care to our country. Your views are very important and will be considered as we continue to evaluate implementation of the SNF Pilot.

In 2012, the Commission released a *Report and Order* that created the Healthcare Connect Fund to reform, expand, and modernize the Rural Health Care Program. The Healthcare Connect Fund provides support for high-capacity broadband connectivity to eligible health care providers and encourages the formation of state and regional broadband health care provider networks. In adopting the Healthcare Connect Fund, the Commission also established a three-year, \$50 million SNF Pilot to test how to support broadband connections for skilled nursing facilities.

As you note in your letter, implementation of the SNF Pilot was deferred pending the Commission's consideration of health care related proposals outlined in the *Technology Transitions Order*. However, skilled nursing facilities, like those operated by the Evangelical Lutheran Good Samaritan Society, can still participate in the Healthcare Connect Fund by joining health care provider networks and taking advantage of the economies of scale that are driven by bulk buying and competitive bidding. The Commission has been working with the skilled nursing facility community to educate them about how they can utilize the Healthcare Connect Fund, and I welcome further dialogue with you and other stakeholders about how we can ensure they are aware of this opportunity.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

Tom Wheeler